

Business Briefs

Biological Holocaust

AIDS reports confirm Club of Life warnings

At an international conference on infectious diseases in Cairo, in early May, scientists reported that AIDS was spreading as quickly among African heterosexuals as it was among American homosexuals. Among countries seriously affected, are Zaire, Rwanda, Burundi, Uganda, Congo, Kenya, Zambia, and Tanzania. In Zaire cities, one in ten people is carrying the virus, and, in the Zairean capital of Kinshasa, the African epicenter, almost 2,000 cases of AIDS have been confirmed. Experts quoted in the *London Observer* of May 5 warn that unless urgent preventative measures are taken there will be a similar pattern of outbreak among European and American heterosexuals.

The reports now being publicized confirm warnings put out in 1983 by the Club of Life, that AIDS would not be confined to the targeted communities of homosexuals and heroin users if the economic breakdown conditions were not reversed in the Third World.

EIR reported in its Oct. 11, 1983 issue the Club of Life's assessment that the "AIDS epidemic is part of a larger picture: rampant malnutrition and unsanitary conditions in large parts of the world, weakening of the immune cell system, the spread of virus-borne malignancies, the return of malaria, and the spread of refugee concentration camps with 'conditions like a culture medium for growing disease'—the gift of the environmentalists and population reducers to Africa and eventually the rest of humanity."

Energy

Egypt's first nuclear plant will be built

Work on Egypt's first nuclear plant will begin this summer. A letter of intent to this effect will soon be signed between Energy Minister Maher Abaza, and one of the three competing companies. These are America's Westinghouse, France's Franatome and

Germany's KWU. Which of these companies will be chosen first has not been announced yet by Abaza, who told a press conference that the \$700 million needed for the first part of the work on a 1000-Mw nuclear plant, is already available. A plant is expected to cost around \$1.5 billion. Abaza reiterated Egypt's commitment to have eight nuclear plants of 1000 Mw each by the year 2005. The total price will be \$36 billion. Meanwhile, Egypt is investing major efforts in the development of a new Port on the Nile Delta, Damiette, in order to keep up with the increased traffic through the Suez canal, that neither Suez Port or Port Said can handle anymore.

Demography

U.S. infant death rate 'cause for concern'

A decline in the rate of reducing infant mortality is a "cause for concern" in nine states in the United States, the U.S. Public Health Service warned during the first week of May. The study points to Florida, Georgia, Illinois, Kentucky, Michigan, Missouri, Ohio, South Carolina, and Wisconsin, as well as the District of Columbia, as suffering "adverse trends" in the infant mortality problem, that are not to be explained by "random fluctuations."

The state of Georgia has experienced a "significant slowdown" in the decline of infant mortality rates among black infants between 1977 and 1983, the *Atlanta Constitution* reports. The situation in Georgia is now among the worst in the United States.

Great Projects

Thai minister: Kra Canal being studied

In a Bangkok press conference on May 1, Thailand Communications Minister Samak Sundaravej announced that pre-feasibility studies are being undertaken for the construction of the Kra Canal.

The canal, crossing the isthmus of Kra

in southern Thailand, would link the Andaman Sea and the Gulf of Thailand. Plans drawn up for the project in 1973 show that the canal would save four days' shipping-time, and the east coast city of Songkla could be turned into a Southeast Asian "superport."

The pre-feasibility studies, Minister Samak reported, will be carried out by the Mitsubishi Research Institute of Japan, by the Fusion Energy Foundation of Washington, D.C., and by Tibbett-Abbott-McCarthy-and-Stratton (TAMS) of New York.

The canal has now become a major issue of economic policy-planning not only in Thailand, but also in Japan. Minister Samak's announcement came right at the point that a high-level Japanese business delegation arrived in the city, for fact-finding discussions on the canal and a tour of the prospective canal site.

Henry Kissinger seems to have miscalculated again. In January of this year, he proclaimed privately to his friends in Bangkok and the United States that the idea for a Kra Canal in Thailand "would go nowhere."

Labor

UAW leaders to face election referendum?

A referendum to elect a new international leadership for the crumbling United Auto Workers (UAW) may be in the offing this spring, according to a reliable source inside the union cited in the May 13 issue of *New Solidarity* newspaper. A referendum is legal under UAW by-laws, but has never been tried in the union's 50-year history.

Depression conditions have hit the union hard. Eight hundred thousand members have been lost to the union since the beginning of the economic decline; Chrysler alone has lost 55,000 members.

The contract just signed by the International Union of Operating Engineers with Chrysler in Dayton, Ohio, agrees to cut wages between \$5 and \$6 per hour, and to forego cost of living increases for the next 10 years. The UAW used to organize this plant, but is now cut out, although it, too, had promised substantial givebacks.

A referendum, by law, must be mandat-

ed by the membership through petition. Were it successful, such a referendum could oust UAW International President Owen Bieber, six vice-presidents, and 18 regional directors.

Agriculture

Eastern states drought brings food threat

The eastern states of the U.S. are suffering the effects of a winter the National Weather Service calls the second driest of this century. One period of soaking rains in early May helped relieve the worst effects, but did not compensate for the seriously lowered reservoir and stream levels.

The dry spell, in combination with drastic cuts in corn and other grain acreage planted (the low USDA estimate is of a 7% cut in corn planting this year), could easily lead to grain shortages. The dry conditions are concentrated east of the grainbelt, except for Texas, but the danger is present beyond that area.

East Coast communities are being rationed and restricted in their water use, endangering farmlands of upstate New York, New Jersey, Pennsylvania, Maryland and Virginia. In the Delaware Valley, water rationing is in effect in dozens of counties in the four states of New York, New Jersey, Pennsylvania and Delaware.

In Massachusetts, 22 communities have imposed water-use curbs. Tests in several Boston suburbs by the U.S. Geological Survey showed that underground water levels are near or below the all-time lows for April.

The New York City water supply is doubly threatened by the potential collapse of its aged viaducts, for which no replacements have been built, due to Mayor Koch's de-capitalization program.

Debt-for-Equity

Swiss oligarchy seeks investments in Venezuela

José Daniel Gubert, general director of the Swiss chocolate company Nestle, met in mid-May with officials of the Venezuelan-Swiss

Chamber of Commerce and Industry and with Venezuelan government officials, according to the daily *Diario de Caracas*, to discuss increasing investments in the country.

Gubert criticized the policies of the Andean Pact, which has sought continent-wide measures to protect the member nations against looting from abroad. Gubert declared that "foreign investments are better than loans"—a reference to the "debt-for-equity" schemes for ending the sovereignty of the debtor countries, popularized by Henry Kissinger.

Food Processing

Italian food cartel owner plans shutdown

Carlo De Benedetti, president of the computer giant Olivetti, on May 1 bought up the whole of the Italian state's food interests, and is planning to "restructure" the sector to cut food production. The \$2 billion cartel includes the most important tomato (Cirio and De Rica), macaroni (Buitoni) and olive oil producers (Bertolli), as well as the giant supermarket chain, GS, and all of the toll-way chain restaurants Pavesi, Motta, and Alemagna.

The state-held group IRI, which sold all these industries to De Benedetti after their back debts were paid, announced that it will invest the \$250 million received in the transaction in telecommunications. De Benedetti has already announced that many of the 25,000 employees in the food sector who are now working for him, will shortly be laid off, and that he intends to completely restructure the food cartel.

The purchase, which took place during a three-day press and TV strike, will concentrate in the hands of the Venetian oligarchy more than 50% of Italian food production and distribution. Another Venetian food cartel, Ferruzzi, plans to convert its agricultural production to growing soybeans as a substitute for meat.

De Benedetti's career was sponsored by his wealthy uncle, Camillo De Benedetti, vice president of the Venetian insurance empire, Assicurazioni Generali.

Briefly

● **WILLY BRANDT**, the Socialist International chairman, blamed "the U.S. government, not IMF 'experts,'" for the world's economic problems, in an interview in the Mexican daily *Excelsior* on May 9: "Sometimes the IMF is unjustly criticized. Both that institution and the World Bank employ talented experts. The criticism should be directed to the governments that set the policy for those institutions. . . . The current policy is excessively restrictive and it is too oriented to serve the interests of the United States. But I want to stress again that my attacks are aimed not at the IMF as such."

● **BRAZIL** now produces more coca than Colombia or Venezuela, according to José Paulo Cavalcanti, of the Brazilian Justice Ministry.

● **MALARIA** has reached epidemic proportions in many villages in the Thai-Kampuchean border areas, with an average of 15 cases out of 1,000 residents, announced Dr. Winich Asavasena, director-general of the Communicable Disease Control Department (CDCD) under the Public Health Ministry in Bangkok.

● **FIDEL CASTRO** is counting on the IMF to carry out his plans for revolution throughout Latin America. According to the May 1 issue of the French-language African news-weekly, *Jeune Afrique*, Castro recently confided to one of his visitors: "Only the International Monetary Fund inspires confidence in me anymore. It's the IMF which will realize all my designs. . . ."

● **RABOBANK**, the largest Dutch Bank, with some \$40 billion in assets, is moving into the U.S. farm credit market. "We are after the top 30% of U.S. farmers, those who will survive the shakeout," said a spokesman for the bank. Their strategy is to set up joint consortia with regional U.S. farm banks who are starved for credit and use this entrée to target the best farm prospects.